



Australian Federation of Graduate Women Inc.

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Submission from the Australian Federation of Graduate Women (Inc) to the Australian Government Productivity Commission re. Childcare and Early Learning.

Introduction

The Australian Federation of Graduate Women (formerly the Australian Federation of University Women) is one of seventy-one national affiliates of the International Federation of University Women, the only NGO entitled to representation at UNESCO meetings that focuses on education for girls and women. Founded in 1922, it pursues educational initiatives to advance the status and well-being of women and girls privately and publicly, nationally and internationally, and it attempts to further peace and international co-operation through the development of understanding and friendship between women of the world irrespective of race, nationality, religion or political opinion. Membership is open to any woman residing in Australia who holds a degree from a recognised university or college worldwide.

AFGW welcomes the attention of the Productivity Commission to the area of childcare and early childhood education. Australia has lacked a framework for the economic evaluation of the comparative costs and benefits of early childhood education; this inquiry will add important information to the national database that will enable the development of appropriate economic models of funding. The absence of sound economic data has led to an over-reliance on anecdotal evidence and international examples that are useful, but cannot adequately describe Australian social, economic and policy contexts (Elliot, 2006).

Childcare and employment

It is the considered opinion of the National Council and members of the Australian Federation of Graduate Women that the provision of high-quality childcare is essential to Australia's overall economic productivity, to regional development and community well-being. According to Warner (2006), these three aspects of childcare must be regarded as parts of an integrated whole:

the impacts on children cannot be segregated from the welfare of parents; the impacts on parents cannot be divorced from the health of the economy in which they live; and the health and sustainability of the economy cannot be separated from the prospects for its children (p. 1).

At present women's workforce participation sits at 59% and around half of the women who are employed work part-time. There are 3.4 million women who are not in the workforce and some 3.6 million children under the age of twelve in need of some form of childcare from long day care to out of school hours care (Australian Women Chamber of Commerce and Industry, 2013). The link between these two figures is inescapable: women's employment is highly responsive to the availability of child care availability. The lack of appropriate and affordable childcare is a direct cause of unemployment and underemployment among women with young children. In many instances, places in formal childcare centres are simply not available. Evidence suggests that parents are having to wait up to three years for places for children under the age of three, a situation that is forcing women to resign to care for their children or to rely on informal arrangements with grandparents, other family members of neighbours (Australian Women Chamber of Commerce and Industry, 2013). Anecdotal evidence indicates that in some cases relatives are brought to Australia for extended periods in order to care for children while their parents work or study. In either case, there is no

guarantee that the care provided will be appropriate or that the children will not be put at risk in an unregulated environment. Nor is there any guarantee that it will be able to provide the early childhood mental stimulus now recognised as crucial to the child's later performance in formal education and skills development.

According to the Australian Bureau of Statistics (2011) around a quarter of all children (26%) were usually cared for by their grandparents. The rate of care by grandparents varied according to the age of the child, peaking among children aged 2-3 years (40%). It may be argued that many families choose to rely on family members to care for their children, however in the absence of alternative this is a socially constrained choice, and may not reflect differences in preference. The use of grandparents raises another issue: older Australians, usually women are leaving the workforce or reducing their working hours to care for children. Productivity is still lost in this scenario although different groups of women are affected. Other issues remain unresolved: older women are less likely to have adequate savings or superannuation to provide for their retirement, yet they are excluding themselves from the workforce to care for children and will necessarily come to rely on the aged pension as a consequence. Moreover caring for children may place an unacceptable burden on the health of their older carers leading to increased strain on the health budget.

Where formal childcare is available, the high cost is a significant deterrent to women on medium to low incomes. The current Child Care Rebate (CCR) provides for up to \$7500 per year in child care costs, but child care fees are in excess of \$120 a day per child, i.e. \$38,800 for a full-time working year of 48 weeks in most metropolitan centres. Families on low incomes, who are able to claim the maximum rebate, pay very little for childcare while families on high incomes have the capacity to pay for a variety of forms of care for their children including Nannies; it is women who earn the average wage of \$1268.90 per week (Australian Bureau of Statistics, 2013) who are most affected by the cost of childcare. Women in this situation are spending between one third and half of their salary on childcare after taking the rebate into account, and a growing number of these women are finding that there is little financial incentive for them to keep working. Quality child must be a core element of a workforce retention policy (Kimmel, 2006).

A child care system which enables women to work would be a boon to the Australian economy, particularly in the sparsely populated regional areas of Australia where qualified staff are difficult to find and retain. If the level of female employment were to match male employment, Australia's GDP would be boosted by 11%, or \$25 billion (Toohey, Colosimo & Boak, 2009). Women's earnings drive growth in regional and local economies because they invest their wages back into the local economy through spending on goods and services (including childcare) for their families Toohey, Colosimo & Boak, 2009). Research undertaken in the USA produced similar results: investing public funds in good quality, accessible childcare in regional areas increases economic activity through increasing women's productivity and spending power (Calman & Tarr-Whelan, 2005).

Early childhood education

The provision of accessible and appropriate childcare does more than facilitate women's return to work; it has a profound and life-long impact on the well-being of the children concerned. The stimulating, positive and rich environments provided by high quality early childhood education programs are acknowledged as central to children's optimal growth and development. Such environments affect the development of the brain and lay the foundation for intelligence, emotional health and moral development.

High quality childcare, which includes early childhood education programs, plays a crucial role in preparing children for their formal education by encouraging self-confidence and the ability to form positive social relationships with other children and adults from outside the family circle both of which are important aspects of school readiness. Children who are ready for school are found to exhibit positive attitudes towards learning that continue to facilitate their success throughout school and beyond (Elliot, 2006). Children who are excluded from early childhood education programs

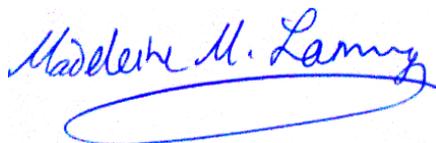
through lack of availability or the high cost involved, may be a severe disadvantage: anecdotal evidence from schools reports an increase in the number of children enrolling in the reception/preparatory year who lack more than the most basic social skills and in some cases do not speak English although they were born in Australia. This is not an attack on multiculturalism or language maintenance policies, but it must be recognised that an inability to understand the language of instruction or to communicate with teachers and peers is a very significant disadvantage.

Early childhood education programs, delivered by highly qualified teachers, have a profound and long-lasting impact on children's educational outcomes. AFGW wishes to emphasise the great importance of early childhood teacher qualifications. Research conducted by The Melbourne Institute (Warren & Haisken-DeNew, 2013) demonstrated that children who attend preschool gain up to a 30-point advantage in NAPLAN results when they reach year 3 – this is the equivalent of an extra six months of schooling. The key aspect of this research is that children taught by a teacher holding a diploma or degree qualification did significantly better in numeracy, reading and spelling tests than children taught by someone with a certificate or no qualification. Test results from this group of children were all but indistinguishable from those produced by children who had not attended any formal preschool education.

Highly qualified early childhood teachers also play a vital role in the detection of a wide range of problems that may place children at risk. Qualified teachers employed in childcare centres, kindergartens and schools may be the first to take note of developmental delays that may indicate physical or cognitive disabilities, signs of mental or physical illness and signs of neglect or abuse. This is particularly the case now that unlimited access to the maternal and baby health centres has been replaced by a system of prearranged appointments. Once an at-risk situation has been identified, these children require early intervention through well-designed, programs tailored to their particular needs and delivered by qualified teachers.

In conclusion the National Council and members of the Australian Federation of Graduate Women thank the Productivity Commission for this opportunity to make a submission on this topic. We reiterate our position that a well-resourced, publicly funded and readily accessible early childhood education system that includes care for children from birth to seven years of age in an economic necessity.

Yours sincerely



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